GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

P.S.- PR & RD Department - Allegations of creating additional posts in Grampanchayats by inflation of annual income of the Gram Panchayats with a view to fill those posts with their own men and to have pecuniary advantage for themselves in filling the posts and causing wrongful loss caused to the Government by certain Sarpanches in collusion with concerned staff of the PR department – Entrustment of the case to CB CID for investigation and prosecution of the concerned officials and non officials including private persons. Orders – Issued .

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PANCHAYAT RAJ AND RURAL DEVELOPMENT (VIG.III) DEPARTMENT.

G.O.RT.No. 913 Dated: 19-09-2015
Read the following

1. From the DG.ACB. Hyderabad Lr.Roc.No.Rc.REG./92, Dt.26.8.1993.
2. G.O.Rt.Nos.759 to 784 PR&RD (Estt.IX) Deptt. dated 2.12.1994.(Prosecution orders).
3. Judgement dt. 25.01.2001 of Special Judge, ACB.,cases, Visakhapatnam.
4. Hon'ble High Court of A.P. Judgement Criminal Revision Case No.594/2001 and batch cases dated 29.04.2010.
5. From the D.G.,ACB., Rc.No.63/RCO-REG/1992,dt. 16.3.2011.
6. Govt.memo. No.3542/Vig.IV/A1/2004, dt. 02.06.2012.
7. From S.P.East Godavari Dist. Lr.C.No.2698/C3/2012, dt. 15.10.2012.
8. Govt. Memo.even No. dated 26.10.2013 of P.R.&R.D. Department.
9. From the DPO., East Godavari Dist. letter Nos. 21.1.2014 & 21.2.2014.

O R D E R :-

In the reference 1st red above, investigation made by the ACB revealed that Sarpanches of different Gram Panchayats of East Godavari District, in connivance with the Junior Assistant cum Bill Collectors, inflated the annual income for the years 1987-88, 1988-89, 1989-90 of the Gram Panchayats and furnished reports to the District collector, showing that the annual income of each Gram Panchayat was more than 60,000/- and the Extension Officers, Office Superintendent and D.P.O. have also assisted the respective Sarpanches and got sanction orders from the District collector for creation of additional posts of Extension Officers and Junior Assistant cum Bill Collectors etc., by falsification of official records and thereby the sanction of additional posts was obtained unauthorized by the Sarpanches/Officers with a view to fill those posts with their own men and to have pecuniary advantage for themselves in filling of the posts and caused wrongful loss to the Government by way of sanction of additional funds for payment of the salaries of the newly created posts and on the strength of the recommendations of the Anti-Corruption Bureau in its report dated 26.08.1993, Government have accorded sanction for prosecution in respect

of (116) Accused Officers. And accordingly the Anti corruption Bureau had filed charge sheets in the trial court vide C.C.Nos. 38 to 84/1995 against 46 Sarpanches + 2 Junior Assistants + 1 Superintendent + 12 Extension Officers + 7 Divisional Panchayat Officers / District Panchayt Officers + 48 Junior Assistant cum Bill collector = 116 (total) vide C.C.Nos. 38 to 84/1995. But, some of the accused officers have filed petitions (during 7/2000) under section 227 of Cr.P.C., in the aforesaid court to discharge them from the charge.

2. The 3rd Additional District & AMP., Sessions Judge cum Special Judge for Anti Corruption Bureau Cases, Visakhapatnam, pronounced common order on 25.01.2001 in these cases holding that the Inspector of Police, Anti Corruption Bureau, has investigated the case without proper authorization from the government and filed charge sheets (prior to the issue of G.O.Ms.No.10, GAD dated 07.01.1999 where in the Inspector of Police, ACB was authorized to investigate all the offences punishable under P.c. Act without the order of a judicial Magistrate of First Class) and further that the accused did not commit any criminal misconduct nor received any valuable thing or pecuniary advantage and in fact, the posts, which were created based on the flatted figures as furnished by the respective G.Ps. were not filled up at least to show that they were filled up the said posts by misusing their position or for any monetary consideration and as such, there is no material to attract the provisos of the Act against any one of the accused persons and to frame charge under sections 13(1) and 13(2) of P.C. Act and hence the accused were discharged under section 227 Cr.P.C. for the offences under sections 13(1) & 13(2) of P.C.Act and the court has however held that as the allegations against the accused persons that they have committed the acts of falsification of official records and obtained sanction for creation of new posts by deceptive means or inflating the income of the respective Gram Panchayats, have directed to take action under the provisions of IPC.

3. The Anti Corruption Bureau on 02.06.2001 had filed criminal Revision Petition in 47 cases in the High Court of A.P. questioning the common order dated 25.01.2001 of the Trial Court and A.P. High Court has delivered the common order dated 29.04.2010. the operative portion of the common order is as follows :-

> ***It is the contention of the State that the accused have committed the acts of falsification of official records and obtained sanction for creation of new posts by deceptive means or inflating, the income of the respective Gram Panchayats. For that in my considered view, the provisions of the Indian Penal Code will be attracted and hence the State can proceed against the accused persons for the alleged offences in a competent criminal court having jurisdiction. The Court below has discussed all these aspects in holding that if at all any offence has been committed, the said offence would squarely fall under the provisions of the Indian Penal Code, but not under the provisions of the Prevention of Corruption Act, which finding in my considered view, is pperfectly justified and no interference is called for. Further, as the alleged offences, even according to the prosecution date back to the year 1992, most of the accused persons died and are not in existence, in my considered view, it may not be desirable to proceed against those of the accused who are still alive. It is only an observation, and it is for the prosecution either to stop***

proceeding against the accused persons by filing the complaints before the competent criminal courts or leave them as it is. From the foregoing discussion, I see no merits in these revision petitions and accordingly they are dismissed.

4. The DG., ACB, in his letter dated 26.11.2010 while enclosing the copy of the common order of High Court of A.P. has informed that the Govt., can proceed against the accused persons for the alleged offences in a competent criminal court having jurisdiction under the IPC and also stated that presently, out of total 116 accused officers, 7 of them are stated to have expired, 9 of them have retired, 32 of them are not traceable, 23 of them are still in service and remaining 45 (Sarpanches) are living in their respective village. Hence, it was requested to direct the concerned civil police to investigate and prosecute the surviving accused officers.

5. The Government have examined the case in consultation with advisory department and requested the CPR&RE, Hyderabad /District Collector, East Godavari District to direct the concerned Civil Police to investigate and prosecute the surviving accused officers vide memo. Dated 07.05.2011 and accordingly, the District Collector, East Godavari District has addressed the Superintendent of Police, East Godavari District, Kakinada by enclosing the list of accused officers (surviving) with their address, requesting to direct the civil police to investigate and prosecute them vide his letter dated 21.09.2011.

6. The Government have observed that the Criminal proceedings initiated against the officials of the department is a lengthy process and considerable time will be taken for its conclusion and in a such a situation it is perhaps not wise for the Government to hold the pensionary benefits indefinitely of the many retired employees those who retired long against whom criminal proceedings are initiated and as such pension and other retirement benefits were sanctioned to Sri DM. Raju, DPO., retired and other retired persons involved in the criminal case subject to outcome of the criminal proceedings pending against them vide G.O.Rt.No.1628, dated 17.10.2013.

7. The District Collector, East Godavari/Superintendent of Police, E.G. in his letter dated 18.12.2012, has reported that the offence occurred 20 years back no records have to be seized and number of witness have to be traced and to be examined as such local police will face very difficult to investigate this case and the local police who are very busy law and order, bandobust duties and other duties and therefore requested to entrust the case to Addl. D.G. of Police, CID., which is a specialized wing to investigate and to prosecute surviving accused officers.

8. The Government have again examined in details in consultation with advisory department including Home Department for entrusting the case to CB CID and the Home Department have agreed to entrust the case to CB CID for investigation and prosecution of the accused officers and accordingly the CPR&RE, Hyderabad /District Collector, East Godavari District have been requested to furnish the details of the surviving employees and Private Persons involved in this case as on date for entrusting the case to CID vide 3542/Vig.IV/A1/2004, dated 26.10.2013.

9. In response to the Govt. Memos, the DPO., East Godavari District has now furnished the details of surviving employees and private persons involved in the case in the prescribed proforma in his letters dated 21.01.2014 (details of 42 persons) and 21.02.2014 (details of 65 persons).

10. The names and details of the **surviving officials** who were involved in this case are indicated in the Annexure I to this order

11. The names and details of the **Sarpanches** who are involved in this case are indicated in Annexure II to this order

12. The names and details of the Private persons involved in this case are shown in the Annexure III to this order.

13. After careful consideration of the matter, the government have decided to entrust this case to CB CID for investigation and prosecution of the accused official and non officials including the private persons and accordingly hereby entrust the case to CB CID for registering a criminal case against the officers and staff and non officials including private persons as indicated in the Annexure I to III to this order on the allegation of creating additional posts in Grampanchayats by inflation of annual income of the Gram Panchayats with a view to fill those posts with their own men and to have pecuniary advantage for themselves in filling the posts and causing wrongful loss to the Government and to investigate into the matter and prosecute them in a competent court under the provisions of the IPC

14. The Addl DGP of Police CB CID AP Hyderabad shall take further necessary action accordingly in the matter and submit report to Government.

15. The District Panchayat Officer, East Godavari District will file a formal compliant with CB CID in this regard and also handover the connected records and documents and will cooperative in the investigation by the CB CID. When they are needed.

16. This orders issued with the concurrence of the Home Department vide their U.O. No.149/Sc.B/A1/2012, dated 09.11.2012.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

DR.K.S. JAWAHAR REDDY,
SECRETARY TO GOVERNMENT.

To
The Addl DGP., CB CID A.P. Hyderabad. (w.e.)
The Commissioner of Panchayat Raj and Rural Employment, Hyderabad
The District Collector, East Godavari District.
The District Panchayat Officer, East Godavari Dist. .
Copy to
The Home Department
The APVC ., Hyderabad.

//FORWARDED BY ORDER//

SECTION OFFICER.